

ANNUAL BUDGET

FISCAL YEAR 2026

PRESENTED BY: LORI NIEMEIER, CSBO, SFO



What is the foundation for the budget decisions?

▶ Vision

- ▶ New Berlin graduates strive to be the best, be engaged, ready to lead and serve future generations of Pretzels.

▶ Mission

- ▶ The mission of CUSD #16 is to serve our communities by equipping students with the skills and tools needed to achieve their personal best and demonstrate Pretzel PRIDE--
 - ▶ Perseverance
 - ▶ Respect
 - ▶ Integrity
 - ▶ Discipline
 - ▶ Empathy

▶ Believe Statements

- ▶ We believe all students have individual talents.
- ▶ We believe all students have an equitable opportunity to learn and achieve their academic and personal best.
- ▶ We believe in our teachers' passions.
- ▶ We believe learning extends beyond the classroom.
- ▶ We believe our schools serve as a safe and secure environment for all students.
- ▶ We believe in Pretzel Pride.
- ▶ We believe in the value of every person.
- ▶ We believe everyone working together will result in positive and collaborative working relationships that make the community stronger.
- ▶ We believe that character counts.
- ▶ We believe that Pretzels serve others and achieve their dreams.

What is the overall goal?



New Berlin CUSD #16

STRATEGIC PLAN

2021-2024



GOAL AREA: FINANCE

GOAL: Conduct financial operations in an open and fiscally responsible manner to maintain the financial sustainability of the district that supports programming, services, and the learning environment for students to receive a quality education.

Why is this goal important to New Berlin CUSD #16? As the state of Illinois faces yet another financial challenge once the pandemic is over, fiscal responsibility will be more critical to our school district's success. It is the Board of Education's responsibility to respect taxpayer dollars by maximizing every dollar in effort to offer a great education to all New Berlin students.

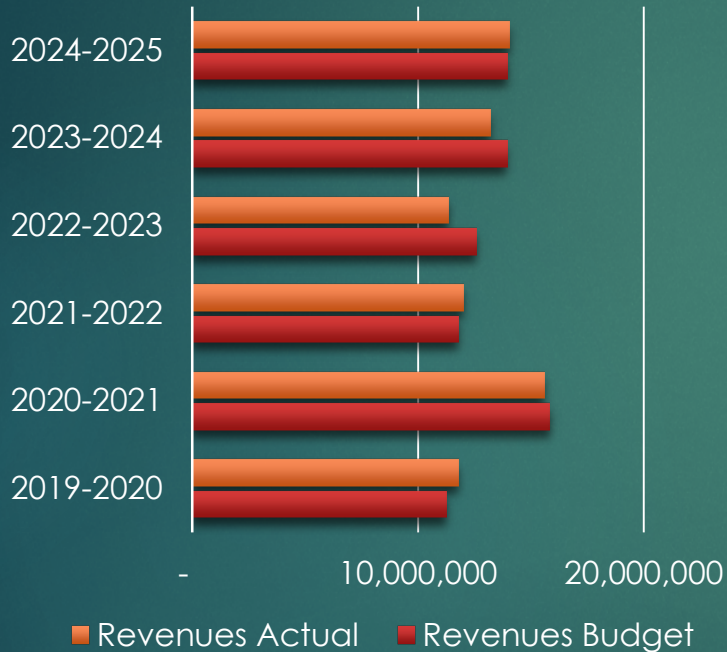
STRATEGIES AND ACTION STEPS	MEASURES OF SUCCESS	PERSON RESPONSIBLE
Develop a 1-Year, 5-Year, and 10-Year Budget Plan	Annual Report to the Board of Education Monthly Board Book	CFO and Superintendent
Stay financially solvent	Annual review of the following: <ul style="list-style-type: none">• # of days of cash on hand	CFO, Superintendent, and Board of Education
Balanced budget with existing and future debit	Annual Review of debt management Monthly Board Book	CFO, Superintendent, and Board of Education
Manage salary competitiveness taking into consideration state mandates	Annual Salary Surveys	CFO, Superintendent, and Board of Education
Maintain transparency in financial matters	Board Book	CFO and Superintendent

Budget Approach

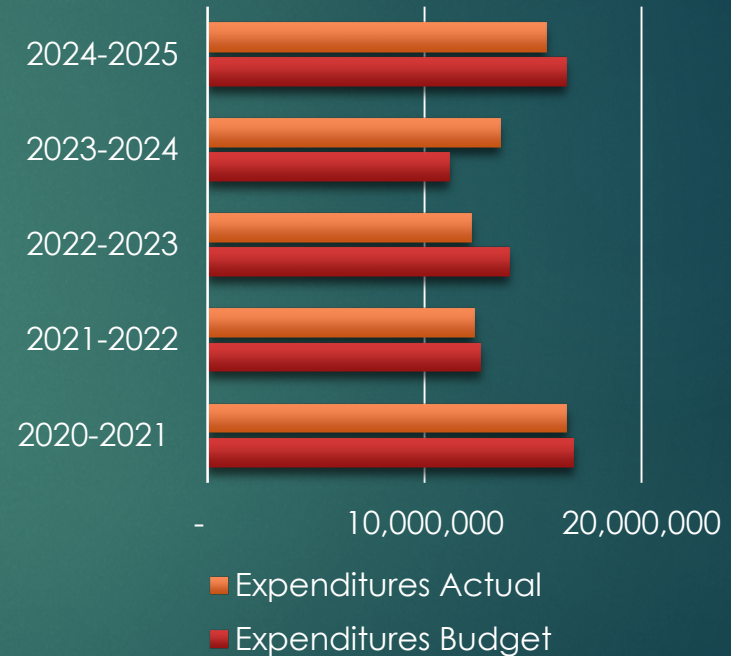
- ▶ District Operates on Cash Basis Accounting Method
 - ▶ Revenues and Expenditures are recognized when received or paid
 - ▶ Alternatively...Accrual Accounting Method
 - ▶ Revenues and Expenditures are recognized when earned
- ▶ Conservative Budget Approach
 - ▶ Expecting the unforeseen...
 - ▶ Revenues are estimated low
 - ▶ Expenditures are estimated high
 - ▶ Expecting that we will strike a balance or a surplus
- ▶ Accepting when it is justified to use reserves but adhering to fund balance policies adopted by the Board of Education
 - ▶ Making adjustments to budgets as necessary and possible without detriment to programs and our students.

Budget vs. Actual

Revenues Budget vs. Actual



Expenditures Budget vs. Actual



Budget Summary

FUND	FY26 ENDING FUND BALANCE (Unaudited)	FY26 REVENUES (Proposed)	FY26 EXPENDITURES (Proposed)	SURPLUS/ (DEFICIT)	FY26 ENDING FUND BALANCE (Proposed)
EDUCATION *	\$ 1,118,022	9,734,660	10,845,138	(1,110,478)	\$ 7,544
OPERATIONS & MAINTENANCE *	\$ 1,741,093	2,115,955	2,110,746	5,209	\$ 1,746,302
DEBT SERVICE	\$ 465,000	2,300,450	2,300,450	0	\$ 465,000
TRANSPORTATION *	\$ 318,871	1,112,230	1,427,780	(315,550)	\$ 3,321
IMRF / SOCIAL SECURITY *	\$ 207,908	372,060	418,195	(46,135)	\$ 161,773
CAPITAL PROJECTS	\$ 3,532,068	280,000	3,565,000	(3,285,000)	\$ 247,068
SALES TAX	\$ 3,157,261	1,005,000	928,325	76,675	\$ 3,233,936
WORKING CASH	\$ 2,889,910	127,540	-	127,540	\$ 3,017,450
TORT	\$ 26,297	432,660	432,660	0	\$ 26,297
FIRE PREVENTION & SAFETY	\$ 896,318	67,810	57,750	10,060	\$ 906,378
TOTAL	\$ 14,352,750	\$ 17,548,365	\$ 22,086,044	\$ (4,537,679)	\$ 9,815,071
* OPERATING FUNDS	\$ 6,067,897	\$ 13,090,385	\$ 14,383,664	(1,293,279)	\$ 4,774,618

Operating Funds = Ed, O & M, Transportation, IMRF & WC

➤ Deficit = \$1.29M

Impacts on Budget

Revenues

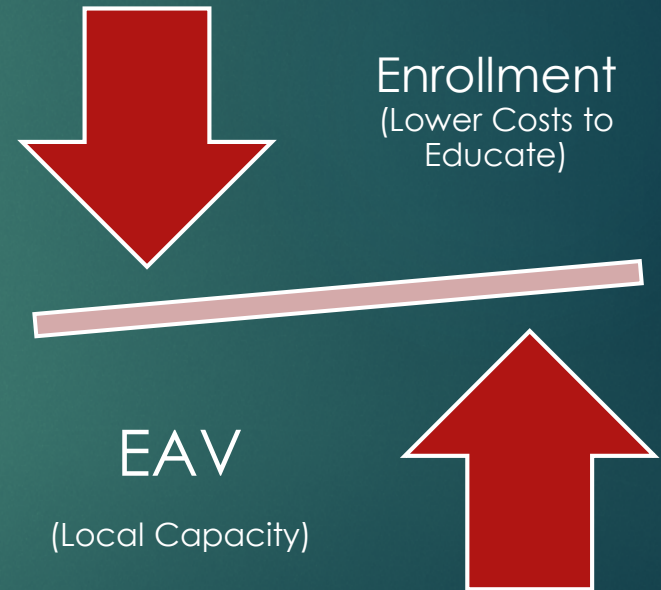
- Increase Evidence Based Funding - \$13,672
- Increase CPPR Tax Revenue - \$637
- State/Federal Categorical
 - Special Education Funding (Part of EBF)
 - Early Childhood Funding Remained Level \$0
 - Title I Decreased \$80,998
 - Title II Decreased \$7,079
 - Disbursed as a Reimbursement

- Transfer \$165,660 EBF Revenue from Education to Tort

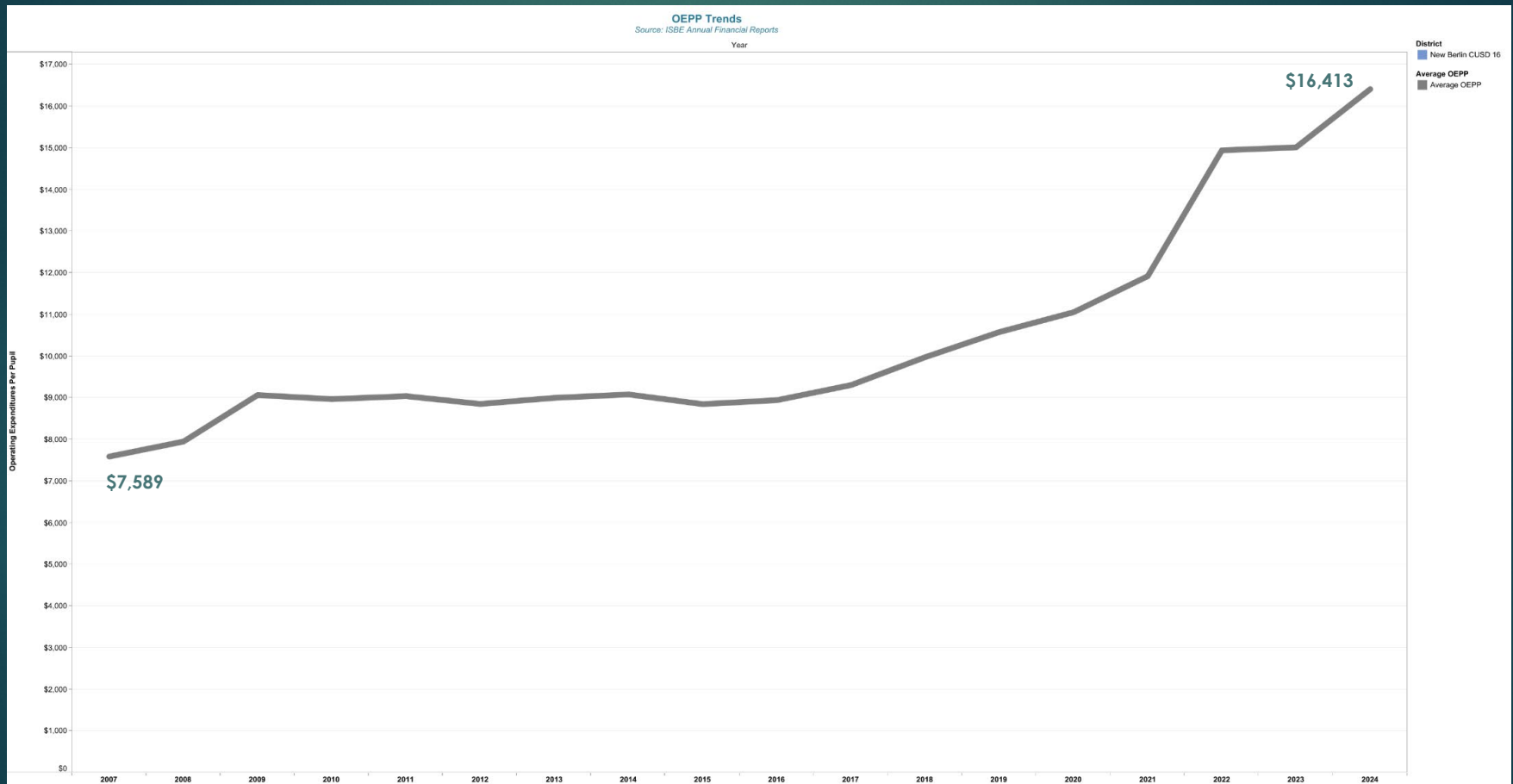
Transfers

Impacts on EBF (Evidence Based Funding)

- ▶ Components of EBF
 - ▶ Adequacy Target (Denominator)
 - ▶ The cost of educating all students
 - ▶ Local Capacity (Numerator)
 - ▶ Determines Percent of Adequacy
 - ▶ Adequacy – 100%
- ▶ Impacts for New Berlin
 - ▶ Increased EAV
 - ▶ Decreased Enrollment (FY21=874.71; FY26=773.94)
 - ▶ Percent of Adequacy = 96%
 - ▶ Moved from Tier 2 to Tier 3
 - ▶ Higher the Tier the less State Assistance



Operating Expense Per Pupil



Impacts on Budget

Expenses

- Salary Increase (5%)
- Benefits Increase (10%)
- Addn'l Paraprofessionals based on need
- Maintain addn'l Special Education Staff
- Maintain Social Workers (2 FTE)
- Increased Premiums for Property Casualty Insurance (22%) - \$41,497
- Decreased Premiums on Workers' Comp Insurance (1%) – (\$247.68)
- Increased Costs for SASSED & CACC
- Contingency

Impacts on Fund Balances

▶ **Operation & Maintenance Fund**

- ▶ Only Restricted Revenue Source is Local Tax \$
- ▶ \$0 of General State Aid from Ed Fund
- ▶ \$0 of CPPR Tax from Ed Fund

▶ **Transportation Fund**

- ▶ Revenue Sources are Local Tax \$ and State Reimbursement
- ▶ State Reimbursement
 - ▶ Proration had been increase annually but is now at 81%
 - ▶ Increase due to the new funding model

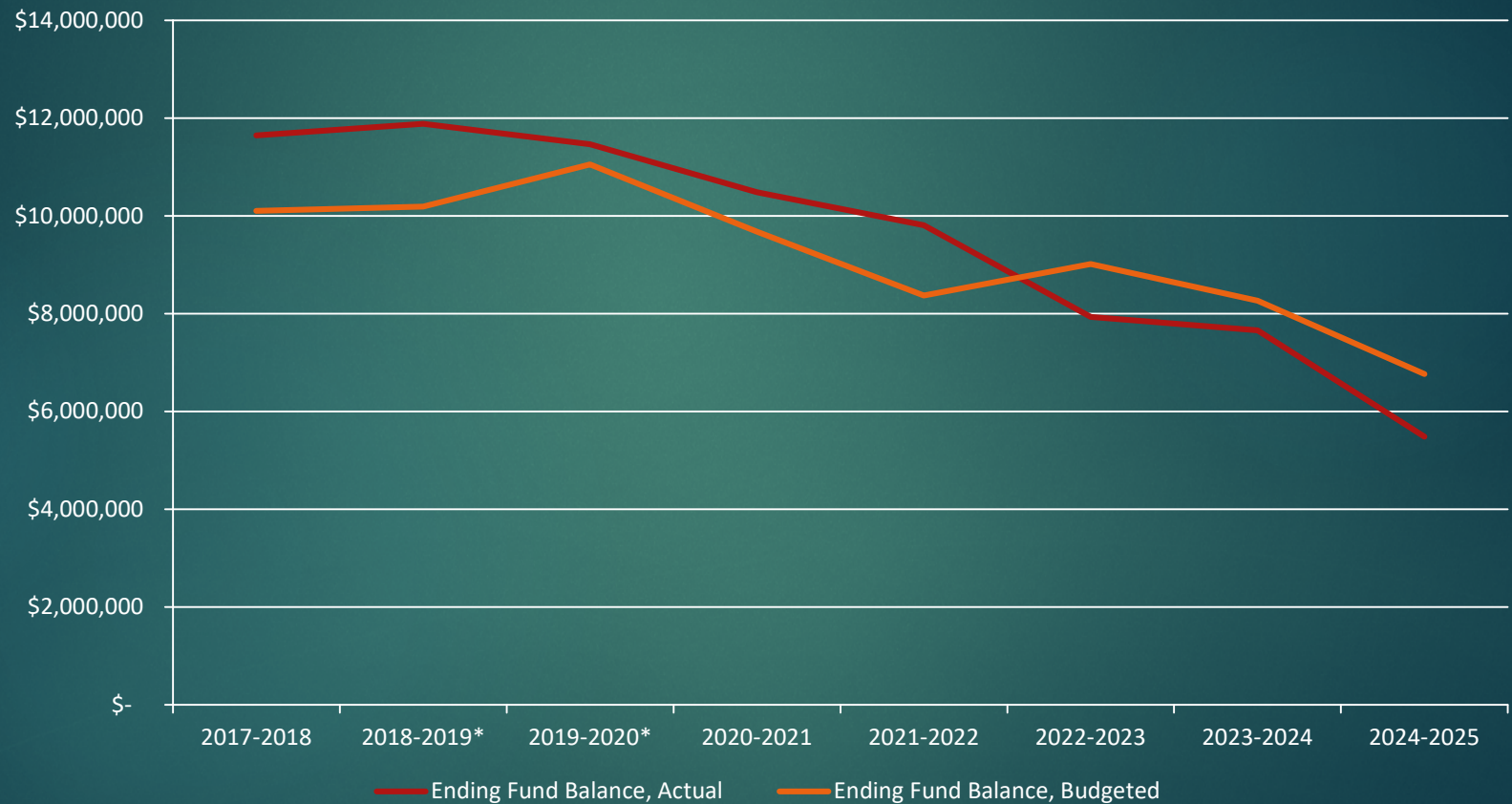
▶ **IMRF / SS Fund**

- ▶ Only Restricted Revenue Source is Local Tax \$
- ▶ \$3,500 of CPPR Tax

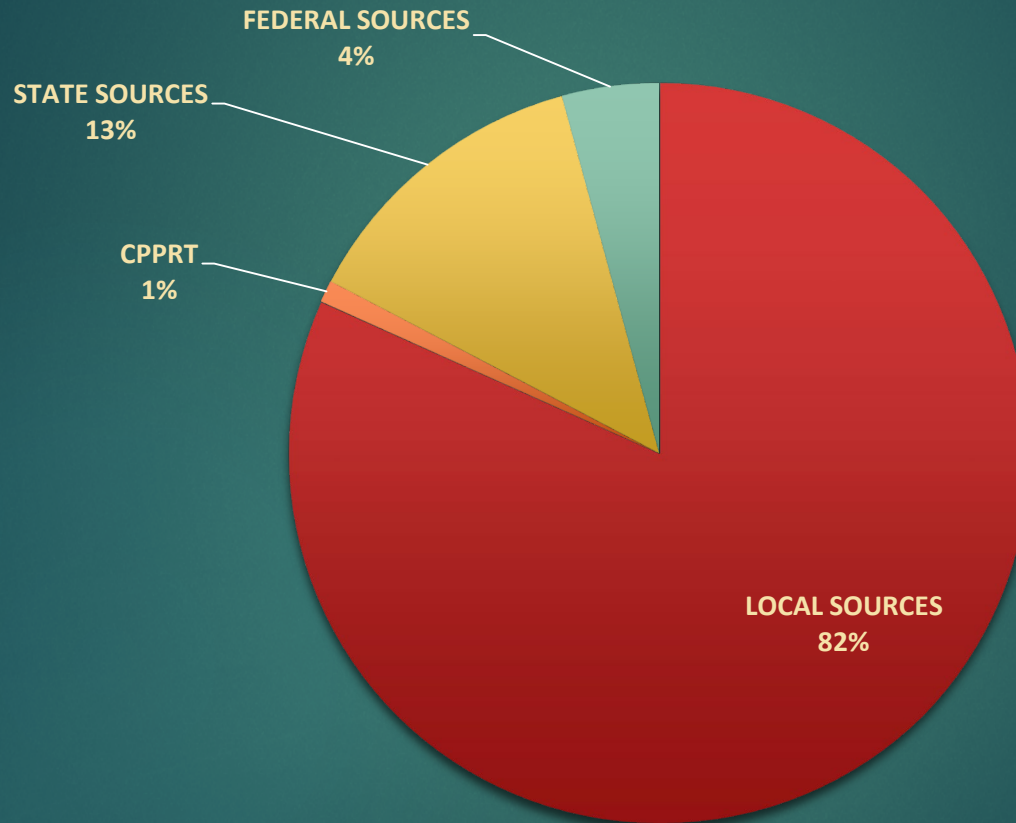
Operating Funds Balance History

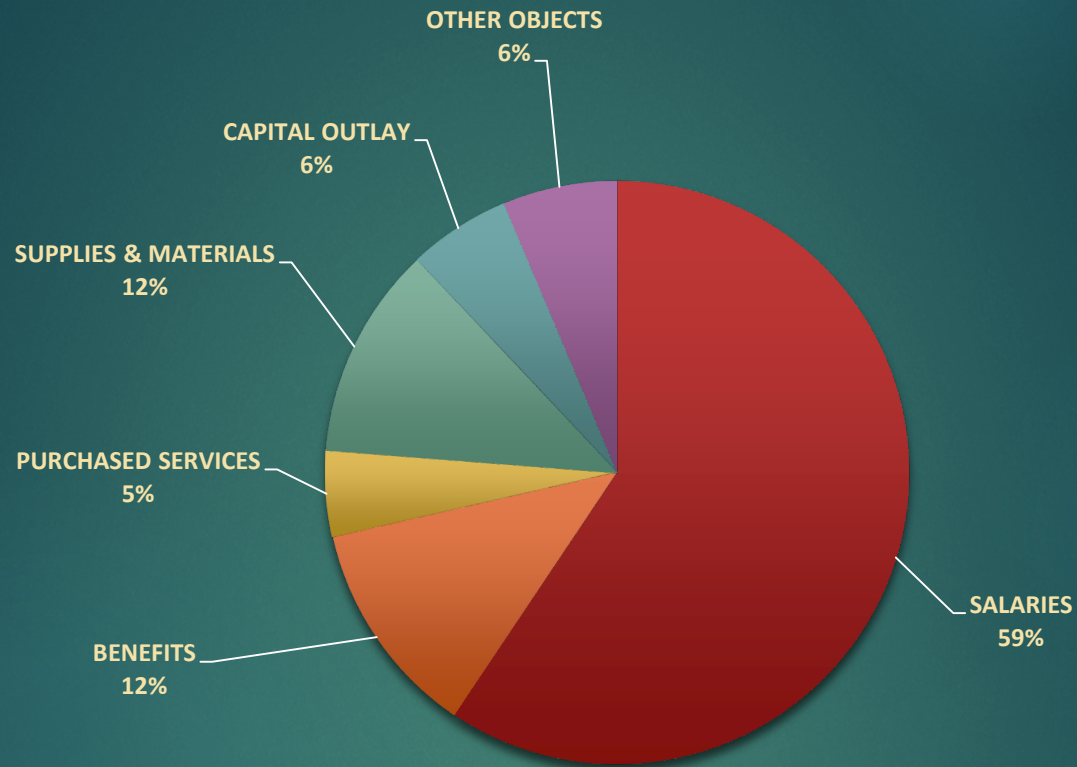


Ending Fund Balance, June 30



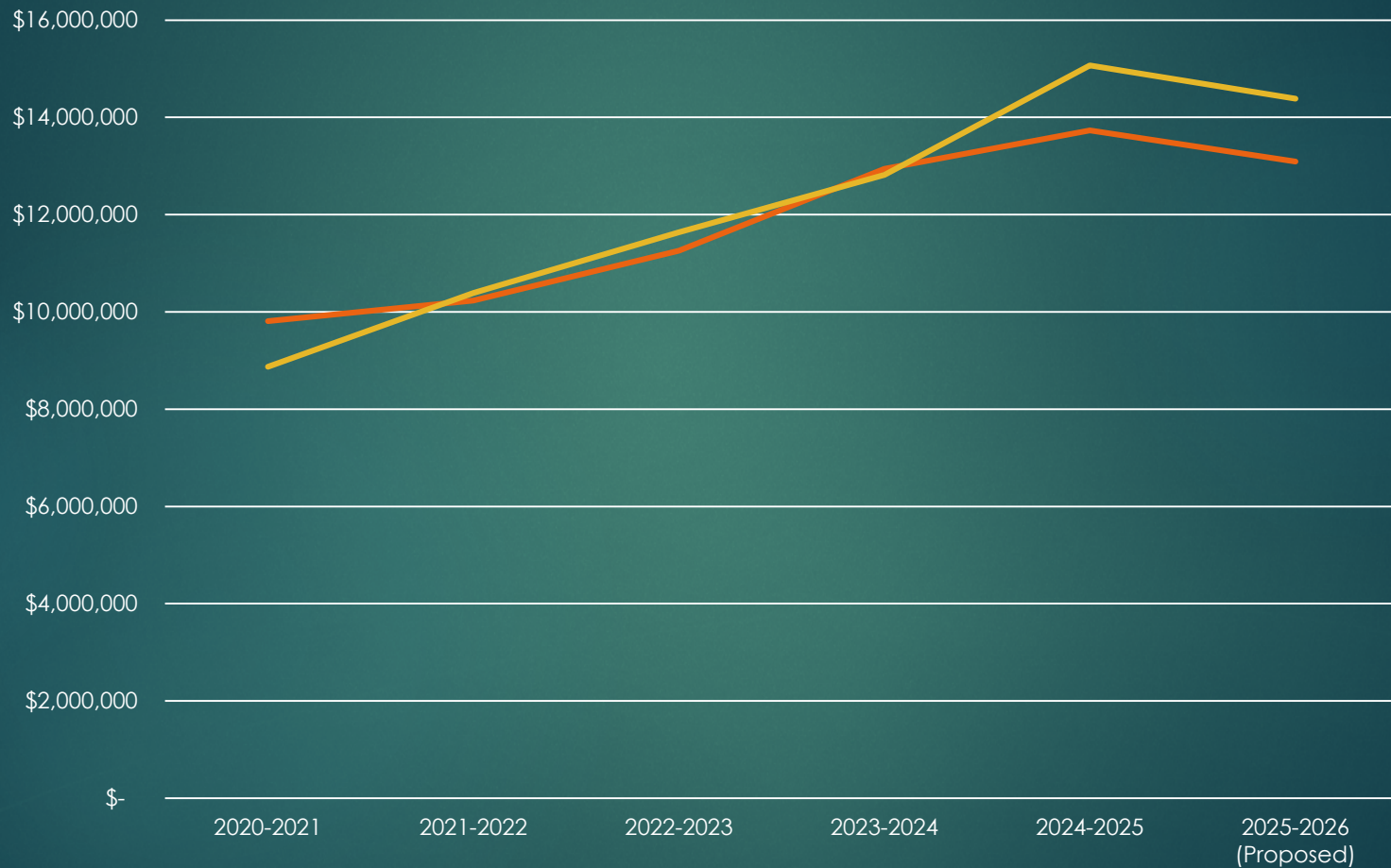
Revenues by Source – FY26





Expenditures by Object – FY26

Revenue to Expense Comparison





Questions & Answers